

**BUTTE-SILVER BOW LOCAL GOVERNMENT
STUDY COMMISSION**

Minutes of the Meeting

November 17, 2005

Butte-Silver Bow Courthouse, First Floor Chief Executive Conference Room

Meeting Date: November 17, 2005

Time: 5:30 p.m.

Place: Butte-Silver Bow Courthouse, Chief Executive Conference Room Courthouse

Call to Order: Chairman Bob Worley brought the meeting to order at 5:40 p.m. and called roll with the following results:

Members Present: Meg Sharp, Northey Tretheway, Dave Palmer, Shag Miller and Bob Worley

Excused Absences: Wayne Harper, Cindi Shaw and Ristene Hall

Approval of Minutes: Northey Tretheway motioned to approve the minutes of November 10, 2005 and Meg Sharp seconded. The motion carried unanimously.

Comments from Ron Rowling: Ron had no comments.

Citizen Comments: None.

Items Not on Agenda: Chairman Bob Worley mentioned that he was trying to get a commissioner's attendance list from Mary McMahon. Bob Worley stated that he would contact Helen Walsh on Monday and get a list of how they are documented. Northey Tretheway asked if the minutes of the council meetings were on the Internet. Bob Worley was not sure if they would go back a year. Shag Miller asked if the purpose of this was to determine if there should be language or was he checking it for his own reference. Shag stated there is no regulation that council members must attend. Chairman Bob Worley replied it is for his own use. Bob Worley commented that they have talked about the number of commissioners they feel are needed and felt that information would be useful in helping determine the number of commissioners. Bob Worley stated that he has talked to Charlie O'Leary about getting a list of what the commissioners served on as far as committees. Bob Worley stated that information would also be helpful in determining the number of commissioners.

Northey Tretheway asked if they wanted to consider simplifying the BSB charter. Northey had a previous discussion with Bob McCarthy in which Bob McCarthy stated Butte's Charter is complicated because it is still a remnant of the days when the county and the city merged. Bob McCarthy had suggested that most things in the charter could be done by ordinance. Bob Worley asked Dave Palmer what his thought was on doing things by ordinance versus charter. Bob Worley mentioned the other charters from Bozeman, Missoula and Great Falls. Bob Worley stated the one common thread he found

was the citizen's commission outside of regular government. Bob Worley discussed the idea of Butte having a Neighborhood Commission. Bob Worley asked about grant money being available to the Neighborhood Commissions.

Chairman Bob Worley reviewed with Bob McCarthy some of the suggestions he had made about the complexity of BSB's charter and how most things in the charter could be done by ordinance. Bob McCarthy replied for 20 years he has stated that BSB's charter is too complicated, that it does not look like other charters and is an impediment to good government. Bob McCarthy stated the purpose of BSB's charter was to combine the city and county government. BSB's charter is outdated and has served its purpose of unifying the city and county. Bob McCarthy stated that the charter is difficult to govern due to it being too specific and it becoming obsolete so quickly. Bob McCarthy recommended adopting a model charter that is more simplified, written in broad general terms, that it contains broad grants of authority and that the operating structure be provided by ordinance. Bob McCarthy mentioned Anaconda adopting a model charter but they went and amended it several times and have since provided for more specific operations.

Dave Palmer asked if they came up with a model charter like the one he had suggested, what if the voters decide to turn it down? They would be stuck with exactly what they have today. Bob McCarthy replied that he thought they could have multiple questions.

Bob McCarthy stated that there are parts in the charter that are essential such as page 1, which lays out what the law is, sets out the name, sets out the jurisdictions and so forth. Bob McCarthy commented that there are also some reasons to do this because Walkerville still exists as a corporate municipal. Bob McCarthy stated if Walkerville were disincorporated, they could get rid of more. Bob McCarthy stated most of page 2 is Montana Law. Bob McCarthy stated starting with Article III is where things get complex and detailed.

Meg Sharp asked Bob McCarthy if he would be willing to go through the charter and strike out the parts they could eliminate. Bob McCarthy replied it would probably be easier to do it in combination with another charter. There was discussion of Helena, Great Falls and Missoula's charters.

Bozeman is in the process of writing a charter. Bob McCarthy stated that Bozeman is the most a-political, non-partisan form of government in the State of Montana. Bob McCarthy stated since pre-World War II, Bozeman has had a system of government that was non-partisan, had a city manager and was completely divorced from all local politics. Bozeman, at the local level, is the most business like form of government in Montana.

Bob McCarthy stated the charter after the 1996 amendments is a lot better than it was. Previous to the amendments, the charter had a lot of unnecessary language, it had a lot of transition material, it had mistakes and gaps and it was written with an eye to a huge local government bill in 1977 that never passed.

Northey Tretheway asked if they were to proceed on simplifying the charter, what do you do when it goes to the vote of the public? Do you just have a draft of the charter for the

public to review and ask if they want to change the charter? Northey asked how does that work?

Bob McCarthy replied that you have to have it available and the longer, more complicated it is, the more the printing costs are. Bob McCarthy stated that they would have to write a ballot question that makes sense to the general public. Bob McCarthy stated they could have a multi-part ballot question.

Bob McCarthy stated a more simplified charter allows the governing body to have more flexibility in the operations of government so you do not have to go back to the voters every time you want to change something. Bob McCarthy believed the reason it is so hard to get things changed by the voters is because people in general are afraid of change.

Bob McCarthy stated it is a good idea to allow salaries to be set at the local level. Bob McCarthy mentioned Salary Commissions and thought it would be a good idea if Butte had one. As of today, the council sets salaries. Bob McCarthy stated that what has happened is the Salary Commissions have input from employees. They have people under the governing body, people from employee groups and they meet and decide on the salaries. Shag Miller commented that it would take heat off the elected officials.

Bob McCarthy stated that the charter should be written almost like skeleton. Northey Tretheway responded like the United States Constitution.

Bob McCarthy stated if the people don't understand it, they would vote against it. He stated part of the problem is fear and hopefully time has take care of all that. Bob McCarthy commented that everyone wants the same thing, a structure that operates efficiently.

Northey Tretheway commented that 90% of the people do not know what the charter says and so the hurdle is going to be convincing those 90% to vote for a more simplified charter.

Tony Bonney asked if there was a way to write that so if the people decide on the simplified form of the charter, that will override the individual changes that they have presented to them?

Bob Worley replied if they accept the new simplified version of the charter, then the other charter would be irrelevant. If they don't accept it, then the questions would be relevant to the existing charter.

Meg Sharp asked if they were to present a new simplified charter at the primary election and the voters turned it down, could they present it item-by-item in November? Bob McCarthy did not believe they could do that.

Shag Miller asked if there would be language that allows the Chief Executive to appoint his department heads? Bob McCarthy replied that the area of Labor Law is like the area in the sale of liquor or gambling. The regulation and control has been retained by the State of Montana. There is no local government power in that area and any real attempts

to come up with anything of real specificity in that area is dangerous. Bob McCarthy stated that it is all right to talk about the appointment.

Northey Tretheway suggested looking at the charter from other cities in Montana and see how they have done that.

Bob Worley stated that he has reviewed the other charters and they state, “in accordance with state law.” Bob McCarthy replied that is what they want to do because the law could change. The legislature meets every year and half the time they meet in special sessions, the Supreme Courts meet every week and you never know what is going to happen.

Northey Tretheway replied that is the beauty of simplifying the charter, it would not become outdated.

Bob McCarthy stated the more control given to the governing body, the easier it is going to be if there is a change.

Bob McCarthy stated that he does not want anyone to think he is critical of the charter. Bob McCarthy stated the charter was a great thing. It was just the first step and they need to move forward with second step.

Northey Tretheway volunteered to draft a simplified version of the charter. Bob Worley stated that if they choose to do a simplified charter, they would probably need to go beyond June. Northey replied the simplified charter would be on a parallel path and take a shorter time. Northey suggested they could look at a simplified charter and come to an agreement because there would not be much in the way of substance.

Dave Palmer suggested to Northey that he make a list of what ordinances would have to be in place to replace what is taken out.

Chairman Bob Worley stated the final report would need to be done by March 9th if they were going to run it in the June primary.

Northey Tretheway asked Bob McCarthy what his thought was on Neighborhood Councils. Bob McCarthy replied that they tried it in Helena and found out that it was ineffective and there was not much interest in it. Bob McCarthy felt the problem was it is hard to get people to do it. Bob McCarthy discussed his thought for Bozeman and Great Falls having Neighborhood Councils. Bob McCarthy stated by them meeting at night they have greater participation and by having meetings in the daytime, they could get greater staff assistance so Bozeman and Great Falls meet in the daytime.

Bob Worley reviewed the charters from Great Falls and Missoula. Bob Worley commented that one thing he liked that Great Falls had done was their vision statement and goals.

Bob Worley asked if they wanted to review which charter Northey would want to use as a model or do they want to continue to go along with BSB charter.

Bob Worley suggested they all review the charters from Great Falls, Missoula or Helena over the next two weeks and continue with the BSB charter.

Bob McCarthy believed they did not need to say if it was going to say partisan or non-partisan but it had to state how big the council is going to be and how often the members are going to be elected.

Bob Worley commented that he was surprised to find out in Great Falls they elect a Mayor every two years.

Dave Palmer commented in Missoula they put in their charter that they could change the size of the council by ordinance. Bob McCarthy replied that was a good idea.

Bob Worley asked if it was Jack Lynch who took all the powers away from Dannette Harrington. Bob McCarthy replied no and stated it was the very first council, the summer of 1977. Bob McCarthy further added that they did not take it away from Dannette Harrington but Katie Murray and created the Finance and Budget Department.

Meg Sharp asked shouldn't the Auditor be in the Finance and Budget Department? Bob McCarthy replied that he thought the Auditor should be independent and professional. Bob McCarthy mentioned what the County Auditor did before is done by the Finance and Budget Department. Bob McCarthy mentioned that the legislature does not set any qualifications for the Auditor. The legislature sets qualifications for judges, lawyers, Superintendent's of the Schools and engineers. If the legislation would set qualifications for the Auditor then they could demand that.

Bob Worley commented in Missoula, the Auditor they elected and the last three Auditors' they have elected have all been CPA's. Bob Worley thought this was something that they need to take to the state legislatures and say they want the Auditor to have the requirements of a CPA. There was argument that they would not be able to do that due to the cost of a CPA's salary. Bob Worley read information he received from Dick Tamblyn. It stated the Auditor elected in Missoula is a CPA and the last three have been CPA's. She hires a Chief Deputy, appointed, that has been there for 25 years. They hired two staff that are Audit Techs. They review and approve all claims, do internal audits, evaluate internal controls of departments and offices throughout the county to assure efficiency and proper operation. The external audits can rely on the internal audits done by the county staff of the scope of work exactly. Bob McCarthy replied even if you hire an Internal Auditor, he thinks the law requires that you have to hire a contract Auditor anyway. Bob McCarthy stated the better the internal records, the cheaper the audits. Bob McCarthy mentioned the contract Auditor's only do samples and will miss things. The more sophisticated system, the more efficient the operations are going to be. Bob McCarthy stated it is a good idea. It is just expensive.

Bob Worley mentioned how the Clerk and Recorder and Treasurer are all one office in Missoula. Bob McCarthy replied that is common and it is that way in Helena also.

There was discussion of having Dannette Harrington moved somewhere under the control of the Budget and Finance Department. Bob Worley commented one of his thoughts was if they eliminated the Auditor as an elected official, they could come back in and set the requirements for an Auditor if he/she is appointed and require through the job description that he/she was a CPA.

Meg Sharp asked if they propose the position of the Auditor be a hired position within the Budget and Finance Department, would the present Auditor, who is an elected position, be guaranteed a job for life in the county? Bob McCarthy replied that would depend on the way it was structured. You could have an elected Auditor or an appointed Auditor.

Shag Miller commented in the operation of BSB government, they do not need an Auditor. Shag stated the duties there now, according to Dannette Gleason, could be easily assumed into the office and the whole Budget and Finance Department function as an Auditor.

Bob Worley replied if they had an Auditor that was separate from Budget and Finance that could evaluate internal controls, they would probably have a better government.

Shag Miller replied if you are going to have an Auditor who is a CPA, that Auditor comes in and does his/her evaluation, and then you have the contract Auditor who does his/her evaluation, the work is being duplicated. Shag mentioned if the Auditor's position was eliminated and his/her duties were put into the Budget and Finance Department, they would save money to function like that and the state law is still being complied with. Shag Miller commented that according to Dannette Gleason, the Budget and Finance Department is the internal Auditor. Bob McCarthy clarified that the Budget and Finance Department is the finance arm of the government but they cannot audit themselves. Bob McCarthy stated that BSB really does not have an internal Auditor and so it probably costs BSB more for the external auditor because they have to do more. Bob McCarthy stated if BSB had an internal Auditor, it would have a more efficient operation. Bob McCarthy commented the main concern is the expense.

Bob Worley asked if everything starting at Article V and on was mandated by the state. Bob Worley mentioned that they want to work on a couple of things such as appointment of deputies and the idea of people, such as the ones working in the Treasurer's Department, to work for the department head in his/her department instead of working for the Chief Executive.

Bob Worley asked everyone to review the other charters and write down notes on ideas they might have. Bob Worley asked Jennifer Rozinka to mail Wayne Harper, Cindi Shaw and Ristene Hall copies of the other charters so they could review them during the two-week period.

Adjournment: Bob Worley entertained a motion to adjourn. Shag Miller motioned and Meg Sharp seconded. Meeting adjourned at 7:00 p.m.

Date of Next Meeting: December 1, 2005